

TOWNSHIP OF WISNER
Tuscola County, Michigan

GENERAL PURPOSE FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION

Year Ended March 31, 2008

Auditing Procedures Report

Issued under P.A. 2 of 1968, as amended and P.A. 71 of 1919, as amended.

Local Unit of Government Type <input type="checkbox"/> County <input type="checkbox"/> City <input checked="" type="checkbox"/> Twp <input type="checkbox"/> Village <input type="checkbox"/> Other		Local Unit Name Township of Wisner	County Tuscola
Fiscal Year End March 31, 2008	Opinion Date April 29, 2008	Date Audit Report Submitted to State May 8, 2008	

We affirm that:

We are certified public accountants licensed to practice in Michigan.


We further affirm the following material, "no" responses have been disclosed in the financial statements, including the notes, or in the Management Letter (report of comments and recommendations).

YES ☒ NO ☐ Check each applicable box below. (See instructions for further detail.)

1. ☒ ☐ All required component units/funds/agencies of the local unit are included in the financial statements and/or disclosed in the reporting entity notes to the financial statements as necessary.
2. ☒ ☐ There are no accumulated deficits in one or more of this unit's unreserved fund balances/unrestricted net assets (P.A. 275 of 1980) or the local unit has not exceeded its budget for expenditures.
3. ☒ ☐ The local unit is in compliance with the Uniform Chart of Accounts issued by the Department of Treasury.
4. ☒ ☐ The local unit has adopted a budget for all required funds.
5. ☒ ☐ A public hearing on the budget was held in accordance with State statute.
6. ☒ ☐ The local unit has not violated the Municipal Finance Act, an order issued under the Emergency Municipal Loan Act, or other guidance as issued by the Local Audit and Finance Division.
7. ☒ ☐ The local unit has not been delinquent in distributing tax revenues that were collected for another taxing unit.
8. ☒ ☐ The local unit only holds deposits/investments that comply with statutory requirements.
9. ☒ ☐ The local unit has no illegal or unauthorized expenditures that came to our attention as defined in the *Bulletin for Audits of Local Units of Government in Michigan*, as revised (see Appendix H of Bulletin).
10. ☒ ☐ There are no indications of defalcation, fraud or embezzlement, which came to our attention during the course of our audit that have not been previously communicated to the Local Audit and Finance Division (LAFD). If there is such activity that has not been communicated, please submit a separate report under separate cover.
11. ☒ ☐ The local unit is free of repeated comments from previous years.
12. ☒ ☐ The audit opinion is UNQUALIFIED.
13. ☒ ☐ The local unit has complied with GASB 34 or GASB 34 as modified by MCGAA Statement #7 and other generally accepted accounting principles (GAAP).
14. ☒ ☐ The board or council approves all invoices prior to payment as required by charter or statute.
15. ☒ ☐ To our knowledge, bank reconciliations that were reviewed were performed timely.

If a local unit of government (authorities and commissions included) is operating within the boundaries of the audited entity and is not included in this or any other audit report, nor do they obtain a stand-alone audit, please enclose the name(s), address(es), and a description(s) of the authority and/or commission.

I, the undersigned, certify that this statement is complete and accurate in all respects.

We have enclosed the following:	Enclosed	Not Required (enter a brief justification)	
Financial Statements	<input checked="" type="checkbox"/>		
The letter of Comments and Recommendations	<input checked="" type="checkbox"/>		
Other (Describe)	<input type="checkbox"/>	N/A	
Certified Public Accountant (Firm Name) Campbell, Kusterer & Co., P.C.		Telephone Number 989-894-1040	
Street Address 512 N. Lincoln, Suite 100, P.O. Box 686		City Bay City	State MI
		Zip 48707	
Authorizing CPA Signature 	Printed Name Mark J. Campbell		License Number 1101007803

TOWNSHIP OF WISNER
Tuscola County, Michigan

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CAMPBELL, KUSTERER & CO., P.C.

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

April 29, 2008

To the Township Board
Township of Wisner
Tuscola County, Michigan

We have audited the accompanying general purpose financial statements of the Township of Wisner, Tuscola County, Michigan, as of March 31, 2008, and for the year then ended, as listed in the table of contents. These general purpose financial statements are the responsibility of the Township of Wisner's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Township of Wisner, Tuscola County, Michigan, as of March 31, 2008, and the respective changes in financial position thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis and budgetary comparison information listed in the table of contents are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management, regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the Township's basic financial statements. The other supporting information described in the accompanying table of contents is presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied by us in the audit of the basic financial statements and, in our opinion, it is fairly stated in all material respects in relation to the basic financial statements taken as a whole.


CAMPBELL, KUSTERER & CO., P.C.
Certified Public Accountants

TOWNSHIP OF WISNER
Tuscola County, Michigan

MANAGEMENT'S DISCUSSION AND ANALYSIS
For the year ended March 31, 2008

This section of the Wisner Township annual financial report presents our discussion and analysis of the financial performance during the fiscal year ended March 31, 2008. Please read it in conjunction with the financial statements, which immediately follow this section.

FINANCIAL HIGHLIGHTS

Our financial status remained stable over the last year. Net assets at March 31, 2008 totaled \$445,345.68 for governmental activities. Of this total, \$7,798.03 represents capital assets net of depreciation and related debt. Overall, net assets increased by \$56,540.39 from the prior year.

Overall revenues were \$217,225.59. Overall expenses were \$160,256.21.

We did not incur any new debt during the year.

OVERVIEW OF FINANCIAL STATEMENTS

This annual report consists of three parts, management's discussion and analysis, the basic financial statements and required supplementary information. The basic financial statements include two different kinds of statements that present different views of the Township and the notes to the financial statements.

The first two statements are Township-wide financial statements and provide both long and short-term information about our overall financial status. These statements present governmental and business-type activities.

The remaining statements are fund financial statements, which focus on individual parts of the Township in more detail.

The notes to the financial statements explain some of the information in the statements and provide more detailed data.

Required supplementary information further explains and supports the financial statement information with budgetary comparisons.

ENTITY-WIDE FINANCIAL STATEMENTS

The entity-wide statements report information about the Township as a whole using accounting methods used by private companies. The statement of net assets includes all of the Township's assets and liabilities. The statement of activities records all of the current year revenues and expenses regardless of when received or paid.

The two entity-wide statements report net assets and how they have changed. Net assets are the difference between the entity's assets and liabilities and this is one method to measure the entity's financial health or position.

Over time increases/decreases in the entity's net assets are an indicator of whether financial position is improving or deteriorating.

To assess overall health of the entity you may also have to consider additional factors such as tax base changes, facility conditions and personnel changes.

All of the activities of the Township are reported as governmental activities. These would include the General Fund, Road Fund, Garbage Fund, Emergency Vehicle Fund, and the Fire and Ambulance Fund.

TOWNSHIP OF WISNER
Tuscola County, Michigan

CONDENSED FINANCIAL INFORMATION
For the year ended March 31, 2008

	<u>Total</u> <u>Governmental</u> <u>Activities</u> <u>2008</u>
Current Assets	437 548
Capital Assets	<u>7 798</u>
Total Assets	<u>445 346</u>
Current Liabilities	-
Non-current Liabilities	<u>-</u>
Total Liabilities	<u>-</u>
Net Assets:	
Invested in Capital Assets	7 798
Unrestricted	<u>437 548</u>
Total Net Assets	<u><u>445 346</u></u>

	<u>Total</u> <u>Governmental</u> <u>Activities</u> <u>2008</u>
Program Revenues:	
Fees and Charges for Services	50 586
General Revenues:	
Property taxes	86 354
State Revenue Sharing	55 468
Interest	14 527
Miscellaneous	<u>10 291</u>
Total Revenues	<u>217 226</u>
Program Expenses:	
Legislative	61 412
General Government	5 779
Public Safety	20 528
Public Works	<u>72 966</u>
Total Expenses	<u>160 685</u>
Increase in Net Assets	56 541
Net Assets, April 1	<u>388 805</u>
Net Assets, March 31	<u><u>445 346</u></u>

TOWNSHIP OF WISNER
Tuscola County, Michigan

MANAGEMENT'S DISCUSSION AND ANALYSIS
For the year ended March 31, 2008

FUND FINANCIAL STATEMENTS

The fund financial statements provide more detailed information about the Township's funds, focusing on significant (major) funds not the Township as a whole. Funds are used to account for specific activities or funding sources. Some funds are required by law or bond covenants. The Township Board also may create them. Funds are established to account for funding and spending of specific financial resources and to show proper expenditures of those resources.

The Township has the following types of funds:

Governmental Funds: All of the Township's activities are included in the governmental fund category. These funds are presented on the modified accrual basis, which is designed to show short-term financial information. You will note that the differences between the Township's government-wide statements and the fund statements are disclosed in reconciling statements to explain the differences between them. The Township's governmental funds include: General, Road, Garbage, Emergency Vehicle and Fire and Ambulance Funds.

FINANCIAL ANALYSIS OF THE TOWNSHIP AS A WHOLE

Net Assets: The Township's governmental net assets increased \$56,540.39 during the year ended March 31, 2008 totaling \$445,345.68.

FINANCIAL ANALYSIS OF THE TOWNSHIP'S FUNDS

General Fund: This fund is used to record all activities of the Township not required to be recorded in a separate fund. This would include legislative, administrative, elections, public safety, motor pool, public works, and building and grounds. The major source of revenue for the general fund is from property taxes and revenue sharing from the State of Michigan.

Road Fund: This fund is used to record revenues and expenses for roads located within the Township. The major source of revenue comes from property taxes. The major expense for this fund is paving and repairs to roads.

Fire and Ambulance Fund: This is used to record wages and contracts payable to Akron and Unionville Ambulance and Fire Departments. The major source of revenue comes from appropriations from property taxes.

Emergency Vehicle Fund: This fund is used to record revenues and expenses of the Emergency vehicle. Revenue comes from property taxes.

Garbage Fund: This fund is used to record revenues and expenses for the Township Garbage Fund. The revenue comes from special assessments.

CAPITAL ASSET AND LONG-TERM DEBT ACTIVITY

Additions to the Township's governmental fund capital assets for this year totaled \$4,407.24.

The Township has no long-term debt at this time.

TOWNSHIP OF WISNER
Tuscola County, Michigan

MANAGEMENT'S DISCUSSION AND ANALYSIS
For the year ended March 31, 2008

KNOWN FACTORS AFFECTING FUTURE OPERATIONS

The Township's plans for the future include street, water, and sewer system improvements to system and the completion of the electric conversion.

CONTACTING THE TOWNSHIP'S MANAGEMENT

This financial report is intended to provide our taxpayers, creditors, investors and customers with a general overview of the Township's finances and to demonstrate the Township's accountability for the revenues it receives. If you have any questions concerning this report please contact Annette Rieck, Treasurer at (989)894-7135 during the hours of 12:00-4:00 pm, Monday through Friday.

TOWNSHIP OF WISNER
Tuscola County, Michigan

GOVERNMENT-WIDE STATEMENT OF NET ASSETS
March 31, 2008

	<u>Governmental Activities</u>
ASSETS:	
CURRENT ASSETS:	
Cash in bank	418 917 54
Taxes receivable	<u>18 630 11</u>
Total Current Assets	<u>437 547 65</u>
NON-CURRENT ASSETS:	
Capital Assets	27 113 17
Less: Accumulated Depreciation	<u>(19 315 14)</u>
Total Non-current Assets	<u>7 798 03</u>
TOTAL ASSETS	<u><u>445 345 68</u></u>
LIABILITIES AND NET ASSETS:	
LIABILITIES:	
CURRENT LIABILITIES	
Total Current Liabilities	<u>-</u>
NON-CURRENT LIABILITIES	<u>-</u>
Total Non-current Liabilities	<u>-</u>
Total Liabilities	<u>-</u>
NET ASSETS:	
Invested in Capital Assets, Net of Related Debt	7 798 03
Unrestricted	<u>437 547 65</u>
Total Net Assets	<u>445 345 68</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>445 345 68</u></u>

The accompanying notes are an integral part of these financial statements.

TOWNSHIP OF WISNER
Tuscola County, Michigan

GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
Year ended March 31, 2008

	<u>Expenses</u>	<u>Program Revenue</u>	<u>Governmental Activities Net (Expense) Revenue and Changes in Net Assets</u>
FUNCTIONS/PROGRAMS			
Governmental Activities:			
Legislative	5 778 61	-	(5 778 61)
General government	61 412 21	6 233 33	(55 178 88)
Public safety	20 527 87	-	(20 527 87)
Public works	<u>72 966 51</u>	<u>44 352 00</u>	<u>(28 614 51)</u>
Total Governmental Activities	<u>160 685 20</u>	<u>50 585 33</u>	<u>(110 099 87)</u>
General Revenues:			
Property taxes			86 353 96
State revenue sharing			55 468 31
Interest			14 527 16
Miscellaneous			<u>10 290 83</u>
Total General Revenues			<u>166 640 26</u>
Change in net assets			56 540 39
Net assets, beginning of year			<u>388 805 29</u>
Net Assets, End of Year			<u>445 345 68</u>

The accompanying notes are an integral part of these financial statements.

TOWNSHIP OF WISNER
Tuscola County, Michigan

BALANCE SHEET – GOVERNMENTAL FUNDS
March 31, 2008

	<u>General</u>	<u>Emergency Vehicle</u>	<u>Road</u>
<u>Assets</u>			
Cash in bank	205 259 87	49 863 11	55 465 24
Taxes receivable	18 630 11	-	-
Due from other funds	<u>18 979 91</u>	<u>15 953 04</u>	<u>-</u>
Total Assets	<u><u>242 869 89</u></u>	<u><u>65 816 15</u></u>	<u><u>55 465 24</u></u>
<u>Liabilities and Fund Equity</u>			
Liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:			
Unreserved			
Undesignated	<u>242 869 89</u>	<u>65 816 15</u>	<u>55 465 24</u>
Total fund equity	<u><u>242 869 89</u></u>	<u><u>65 816 15</u></u>	<u><u>55 465 24</u></u>
Total Liabilities and Fund Equity	<u><u>242 869 89</u></u>	<u><u>65 816 15</u></u>	<u><u>55 465 24</u></u>

The accompanying notes are an integral part of these financial statements.

<u>Fire and Ambulance</u>	<u>Garbage</u>	<u>Total</u>
562 44	25 512 32	336 662 98
-	-	18 630 11
<u>38 879 61</u>	<u>8 442 00</u>	<u>82 254 56</u>
<u>39 442 05</u>	<u>33 954 32</u>	<u>437 547 65</u>
<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>
<u>39 442 05</u>	<u>33 954 32</u>	<u>437 547 65</u>
<u>39 442 05</u>	<u>33 954 32</u>	<u>437 547 65</u>
<u>39 442 05</u>	<u>33 954 32</u>	<u>437 547 65</u>

TOWNSHIP OF WISNER
Tuscola County, Michigan

RECONCILIATION OF BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET ASSETS
March 31, 2008

TOTAL FUND BALANCES – GOVERNMENTAL FUNDS	437 547 65
Amounts reported for governmental activities in the statement of net assets are different because –	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds balance sheet:	
Capital assets at cost	27 113 17
Accumulated depreciation	<u>(19 315 14)</u>
TOTAL NET ASSETS – GOVERNMENTAL ACTIVITIES	<u>445 345 68</u>

The accompanying notes are an integral part of these financial statements.

TOWNSHIP OF WISNER
Tuscola County, Michigan

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES- GOVERNMENTAL FUNDS
Year ended March 31, 2008

	<u>General</u>	<u>Emergency Vehicle</u>	<u>Road</u>
Revenues:			
Property taxes	31 521 31	15 953 04	-
Special assessments	-	-	-
State revenue sharing	55 468 31	-	-
Charges for services:			
Cemetery lot sales	1 100 00	-	-
Tax collection	5 133 33	-	-
Interest	10 293 83	1 504 86	2 023 47
Miscellaneous	<u>10 290 83</u>	<u>-</u>	<u>-</u>
Total revenues	<u>113 807 61</u>	<u>17 457 90</u>	<u>2 023 47</u>
Expenditures:			
Legislative:			
Township Board	5 778 61	-	-
General government:			
Supervisor	7 090 61	-	-
Elections	11 09 55	-	-
Assessor	5 945 16	-	-
Clerk	6 785 14	-	-
Board of Review	495 00	-	-
Treasurer	6 075 91	-	-
Buildings and grounds	17 947 56	-	-
Cemetery	11 127 05	-	-
Public safety:			
Fire and ambulance protection	-	-	-
Planning and zoning	352 00	-	-
Public works:			
Highways and streets	527 99	-	17 885 51
Sanitation	78 00	-	-
Drains at large	10 915 01	-	-
Capital outlay	<u>4 407 24</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>78 634 83</u>	<u>-</u>	<u>17 885 51</u>
Excess (deficiency) of revenues over expenditures	35 172 78	17 457 90	(15 862 04)
Fund balances, April 1	<u>207 697 11</u>	<u>48 358 25</u>	<u>71 327 28</u>
Fund Balances, March 31	<u><u>242 869 89</u></u>	<u><u>65 816 15</u></u>	<u><u>55 465 24</u></u>

The accompanying notes are an integral part of these financial statements.

<u>Fire and Ambulance</u>	<u>Garbage</u>	<u>Total</u>
38 879 61	-	86 353 96
-	44 352 00	44 352 00
-	-	55 468 31
-	-	1 100 00
-	-	5 133 33
198 15	506 85	14 527 16
-	-	10 290 83
<u>39 077 76</u>	<u>44 858 85</u>	<u>217 225 59</u>
-	-	5 778 61
-	-	7 090 61
-	-	1 109 55
-	-	5 945 16
-	-	6 785 14
-	-	495 00
-	-	6 075 91
-	-	17 947 56
-	-	11 127 05
20 175 87	-	20 175 87
-	-	352 00
-	-	18 413 50
-	43 560 00	43 638 00
-	-	10 915 01
-	-	4 407 24
<u>20 175 87</u>	<u>43 560 00</u>	<u>160 256 21</u>
18 901 89	1 298 85	56 969 38
<u>20 540 16</u>	<u>32 655 47</u>	<u>380 578 27</u>
<u>39 442 05</u>	<u>33 954 32</u>	<u>437 547 65</u>

TOWNSHIP OF WISNER
Tuscola County, Michigan

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
Year ended March 31, 2008

NET CHANGE IN FUND BALANCES – TOTAL GOVERNMENTAL FUNDS 56 969 38

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures; in the Statement of Activities,
these costs are allocated over their estimated useful lives as depreciation

Depreciation Expense	(4 836 23)
Capital Outlay	<u>4 407 24</u>

CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES 56 540 39

The accompanying notes are an integral part of these financial statements.

TOWNSHIP OF WISNER
Tuscola County, Michigan

NOTES TO FINANCIAL STATEMENTS
March 31, 2008

Note 1 – Summary of Significant Accounting Policies

The accounting policies of the Township of Wisner, Tuscola County, Michigan, conform to generally accepted accounting principles as applicable to governmental units.

Reporting Entity

The financial statements of the Township contain all the Township's funds that are controlled by or depended on the Township's executive or legislative branches.

The reporting entity is the Township of Wisner. The Township is governed by an elected Township Board. As required by generally accepted accounting principles, these financial statements present the Township as the primary government.

Government-Wide and Fund Financial Statements

The government-wide financial statements, (the Statement of Net Assets and the Statement of Changes in Net Assets) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. All the Township's government-wide activities are considered governmental activities.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include: (1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function; and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes, intergovernmental payments and other items not properly included among program revenues are reported as general revenue.

Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. When an expense is incurred for purposes for which both restricted and unrestricted net assets are available, restricted resources are applied first.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be available if it is collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, expenditures relating to compensated absences, and claims and judgments are recorded only when payment is due.

TOWNSHIP OF WISNER
Tuscola County, Michigan

NOTES TO FINANCIAL STATEMENTS

March 31, 2008

Note 1- Summary of Significant Accounting Policies (continued)

Governmental Funds

General Fund

This fund is used to account for all financial transactions except those required to be accounted for in another fund. The fund includes the general operating expenditures of the local unit. Revenues are derived primarily from property taxes, state and federal distributions, grants, and other intergovernmental revenues.

Special Revenue Funds

These funds are used to account for specific governmental revenues requiring separate accounting because of legal or regulatory provisions or administrative action.

Fiduciary Fund

The Current Tax Collection Fund is used to account for assets held as an agent for others.

Assets, Liabilities and Net Assets or Equity

Bank deposits and investments- Cash and cash equivalent investments include cash on hand, demand deposits, certificates of deposit and short-term investments with a maturity of three months or less when acquired. Investments are stated at fair value.

Receivables

Receivables have been recognized for all significant amounts due to the Township. Allowances for uncollectible accounts have not been provided for in that collection is not considered doubtful and any uncollected amount would be immaterial.

Inventories

Inventories of supplies are considered to be immaterial and are not recorded.

Property Taxes

Property taxes and other revenue that are both measurable and available for use to finance operations are recorded as revenue when earned.

Properties are assessed as of December 31 and the related property taxes become a lien on December 1 of the following year. These taxes are due on February 14 with the final collection date of February 28 before they are added to the county tax rolls. The Township 2007 tax roll millage rate was 3.8870 and the taxable value was \$21,885,104.00.

Encumbrances

Encumbrances involving the current recognition of purchase orders, contracts and other commitments for future expenditures are not recorded.

TOWNSHIP OF WISNER
Tuscola County, Michigan

NOTES TO FINANCIAL STATEMENTS
March 31, 2008

Note 1 – Summary of Significant Accounting Policies (continued)

Capital Assets

Capital assets are defined by the Township as assets with an initial cost of more than \$1,000.00 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost. Donated assets are reported at estimated fair market value at the date of donation. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings, additions and improvements	25 years
Furniture and equipment	3-10 years

Compensated Absences (Vacation and Sick Leave)

Employees are not allowed to accumulate vacation and sick pay.

Post-employment Benefits

The Township provides no post-employment benefits to past employees.

Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

Note 2 – Budgets and Budgetary Accounting

The following procedures are followed in establishing the budgetary data reflected in these financial statements:

1. Prior to the beginning of the fiscal year, the proposed budget for each budgetary fund is submitted to the Township Board for consideration.
2. The proposed budgets include expenditures as well as the methods of financing them.
3. Public hearings are held to obtain taxpayer comments.
4. The budgets are adopted at the activity level by a majority vote of the Township Board.
5. The budgets are adopted on the modified accrual basis of accounting.
6. The originally adopted budgets can be amended during the year only by a majority vote of the Township Board.
7. The adopted budgets are used as a management control device during the year for all budgetary funds.

TOWNSHIP OF WISNER
Tuscola County, Michigan

NOTES TO FINANCIAL STATEMENTS
March 31, 2008

Note 2 – Budgets and Budgetary Accounting

8. Budget appropriations lapse at the end of each fiscal year.
9. The budgeted amounts shown in these financial statements are the originally adopted budgets with all amendments that were approved by the Township Board during the fiscal year.

Note 3 – Deposits and Investments

Michigan Compiled Laws, Section 129.91, authorizes the Township to deposit and invest in the accounts of federally insured banks, credit unions, and savings and loan associations; bonds, securities and other direct obligations of the United States, or any agency or instrumentality of the United States; United States government or federal agency obligation repurchase agreements; banker's acceptance of United States banks; commercial paper rated within the two highest classifications, which mature not more than 270 days after the date purchase; obligations of the State of Michigan or its political subdivisions which are rated as investment grade; and mutual funds composed of investment vehicles which are legal for direct investment by local units of government in Michigan. Financial institutions eligible for deposit of public funds must maintain an office in Michigan.

The Township Board has designated two financial institutions for the deposit of Township funds. The investment policy adopted by the Board in accordance with Public Act 196 of 1997 has authorized investment in all investments authorized by state law as listed above.

The Township's deposits and investments are in accordance with statutory authority.

The Governmental Accounting Standards Board Statement No. 3, risk disclosures for the cash deposits are as follows:

	<u>Carrying Amounts</u>
Total Deposits	<u>418 917 54</u>
Amounts in the bank balances are without considering deposits in transit or uncleared checks.	
Bank	<u>Balances</u>
Insured (FDIC)	100 000 00
Uninsured and Uncollateralized	<u>318 917 54</u>
Total Deposits	<u>418 917 54</u>

The Township of Wisner did not have any investments as of March 31, 2008.

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the Township manages its exposure to interest rate risk is by participating in financial institution pooled funds and in mutual funds which hold diverse investments that are authorized by law for direct investments.

TOWNSHIP OF WISNER
Tuscola County, Michigan

NOTES TO FINANCIAL STATEMENTS
March 31, 2008

Note 3 – Deposits and Investments (continued)

Concentration of Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The financial institution pooled funds are the mutual funds do not have a rating provided by a nationally recognized statistical rating organization.

The investment policy of the Township contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by Michigan law.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. Michigan law and the Township's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits.

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. Michigan law and the Township's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investment, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools.

Note 4 – Capital Assets

Capital asset activity of the Township's Governmental activities for the current year was as follows:

	Balance 4/1/07	Additions	Deletions	Balance 3/31/08
<u>Governmental Activities:</u>				
Land	3 000 00	-	-	3 000 00
Buildings	14 000 00	-	-	14 000 00
Equipment	12 385 93	4 407 24	(6 680 00)	10 113 17
Total	29 385 93	4 407 24	(6 680 00)	27 113 17
Accumulated Depreciation	(21 158 91)	(4 836 23)	6 680 00	(19 315 14)
Net Capital Assets	8 227 02	(428 99)	-	7 798 03

Note 5 – Pension Plan

The Township does not have a pension plan.

Note 6 – Deferred Compensation Plan

The Township does not have a deferred compensation plan.

TOWNSHIP OF WISNER
Tuscola County, Michigan

NOTES TO FINANCIAL STATEMENTS
March 31, 2008

Note 7 – Risk Management

The Township is exposed to various risks of loss related to property loss, torts, errors, omissions, and employee injuries (workers' compensation). The Township has purchased commercial insurance for property loss, torts and workers' compensation claims. Settled claims relating to the commercial insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years.

Note 8 – Building Permits

The Township of Wisner does not issue building permits. Building permits are issued by the County of Tuscola.

Note 9 – Interfund Receivables and Payables

The amounts of interfund receivables and payables are as follows:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Fund</u>	<u>Interfund Payable</u>
General	18 979 91		
Emergency Vehicle	15 953 04		
Fire and Ambulance	38 879 61		
Garbage	<u>8 442 00</u>	Current Tax Collection	<u>82 254 56</u>
Total	<u><u>82 254 56</u></u>	Total	<u><u>82 254 56</u></u>

TOWNSHIP OF WISNER
Tuscola County, Michigan

BUDGETARY COMPARISON SCHEDULE – GENERAL FUND
Year ended March 31, 2008

	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
Revenues:				
Property taxes	30 690 00	30 690 00	31 521 31	831 31
State revenue sharing	52 000 00	52 000 00	55 468 31	3 468 31
Charges for services:				
Cemetery lot sales	1 000 00	1 000 00	1 100 00	100 00
Tax collection	5 000 00	5 000 00	5 133 33	133 33
Interest	6 500 00	6 500 00	10 293 83	3 793 83
Miscellaneous	1 500 00	1 500 00	10 290 83	8 790 83
Total revenues	96 690 00	96 690 00	113 807 61	17 117 61
Expenditures:				
Legislative:				
Township Board	6 000 00	6 000 00	5 778 61	(221 39)
General government:				
Supervisor	7 316 00	7 316 00	7 090 61	(225 39)
Elections	1 400 00	1 400 00	1 109 55	(290 45)
Assessor	5 946 00	5 946 00	5 945 16	(84)
Clerk	7 466 00	7 466 00	6 785 14	(680 86)
Board of Review	1 000 00	1 000 00	495 00	(505 00)
Treasurer	6 488 00	6 488 00	6 075 91	(412 09)
Building and grounds	33 887 00	33 887 00	17 947 56	(15 939 44)
Cemetery	13 500 00	13 500 00	11 127 05	(2 372 95)
Public safety:				
Planning and zoning	500 00	500 00	352 00	(148 00)
Public works:				
Highways and streets	900 00	900 00	527 99	(372 01)
Sanitation	900 00	900 00	78 00	(822 00)
Drains at large	13 000 00	13 000 00	10 915 01	(2 084 99)
Capital outlay	6 500 00	6 500 00	4 407 24	(2 092 76)
Total expenditures	104 803 00	104 803 00	78 634 83	(26 168 17)
Excess (deficiency) of revenues over expenditures	(8 113 00)	(8 113 00)	35 172 78	43 285 78
Fund balance, April 1	196 664 56	196 664 56	207 697 11	11 032 55
Fund Balance, March 31	188 551 56	188 551 56	242 869 89	54 318 33

TOWNSHIP OF WISNER
Tuscola County, Michigan

BUDGETARY COMPARISON SCHEDULE- EMERGENCY VEHICLE FUND
Year ended March 31, 2008

	Original Budget	Final Budget	Actual	Variance with Final Budget Over (Under)
Revenues:				
Property taxes	15 096 92	15 096 92	15 953 04	856 12
Interest	<u>1 000 00</u>	<u>1 000 00</u>	<u>1 504 86</u>	<u>504 86</u>
Total revenues	<u>16 096 92</u>	<u>16 096 92</u>	<u>17 457 90</u>	<u>1 360 98</u>
Expenditures:				
Public safety:				
Fire and ambulance protection	<u>2 500 00</u>	<u>2 500 00</u>	<u>-</u>	<u>(2 500 00)</u>
Total expenditures	<u>2 500 00</u>	<u>2 500 00</u>	<u>-</u>	<u>(2 500 00)</u>
Excess (deficiency) of revenues over expenditures	13 596 92	13 596 92	17 457 90	3 860 98
Fund balance, April 1	<u>33 264 33</u>	<u>33 264 33</u>	<u>48 358 25</u>	<u>15 093 92</u>
Fund Balance, March 31	<u><u>46 861 25</u></u>	<u><u>46 861 25</u></u>	<u><u>65 816 15</u></u>	<u><u>18 954 90</u></u>

TOWNSHIP OF WISNER
Tuscola County, Michigan

BUDGETARY COMPARISON SCHEDULE- ROAD FUND
Year ended March 31, 2008

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
Revenues:				
Property taxes	39 971 06	39 971 06	-	(39 971 06)
Interest	<u>1 000 00</u>	<u>1 000 00</u>	<u>2 023 47</u>	<u>1 023 47</u>
Total revenues	<u>40 971 06</u>	<u>40 971 06</u>	<u>2 023 47</u>	<u>(38 947 59)</u>
Expenditures:				
Public works:				
Highways and streets	<u>16 000 00</u>	<u>20 879 36</u>	<u>17 885 51</u>	<u>(2 993 85)</u>
Total expenditures	<u>16 000 00</u>	<u>20 879 36</u>	<u>17 885 51</u>	<u>(2 993 85)</u>
Excess (deficiency) of revenues over expenditures	24 971 06	20 091 70	(15 862 04)	(35 953 74)
Fund balance, April 1	<u>34 350 07</u>	<u>34 350 07</u>	<u>71 327 28</u>	<u>36 977 21</u>
Fund Balance, March 31	<u>59 321 13</u>	<u>54 441 77</u>	<u>55 465 24</u>	<u>1 023 47</u>

TOWNSHIP OF WISNER
Tuscola County, Michigan

BUDGETARY COMPARISON SCHEDULE- FIRE AND AMBULANCE FUND
Year ended March 31, 2008

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
Revenues:				
Property taxes	19 793 00	19 793 00	38 879 61	19 086 61
Interest	<u>100 00</u>	<u>100 00</u>	<u>198 15</u>	<u>98 15</u>
Total revenues	<u>19 893 00</u>	<u>19 893 00</u>	<u>39 077 76</u>	<u>19 184 76</u>
Expenditures:				
Public safety:				
Fire and ambulance protection	<u>20 558 00</u>	<u>20 558 00</u>	<u>20 175 87</u>	<u>(382 13)</u>
Total expenditures	<u>20 558 00</u>	<u>20 558 00</u>	<u>20 175 87</u>	<u>(382 13)</u>
Excess (deficiency) of revenues over expenditures	(665 00)	(665 00)	18 901 89	19 566 89
Fund balance, April 1	<u>747 16</u>	<u>747 16</u>	<u>20 540 16</u>	<u>19 793 00</u>
Fund Balance, March 31	<u><u>82 16</u></u>	<u><u>82 16</u></u>	<u><u>39 442 05</u></u>	<u><u>39 359 89</u></u>

TOWNSHIP OF WISNER
Tuscola County, Michigan

BUDGETARY COMPARISON SCHEDULE- GARBAGE FUND
Year ended March 31, 2008

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
Revenues:				
Property taxes	43 050 00	43 050 00	44 352 00	1 302 00
Interest	<u>350 00</u>	<u>350 00</u>	<u>506 85</u>	<u>156 85</u>
Total revenues	<u>43 400 00</u>	<u>43 400 00</u>	<u>44 858 85</u>	<u>1 458 85</u>
Expenditures:				
Public safety:				
Sanitation	<u>43 558 00</u>	<u>43 560 00</u>	<u>43 560 00</u>	<u>-</u>
Total expenditures	<u>43 558 00</u>	<u>43 560 00</u>	<u>43 560 00</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	(158 00)	(160 00)	1 298 85	1 458 85
Fund balance, April 1	<u>24 660 47</u>	<u>24 660 47</u>	<u>32 655 47</u>	<u>7 995 00</u>
Fund Balance, March 31	<u>24 502 47</u>	<u>24 500 47</u>	<u>33 954 32</u>	<u>9 453 85</u>

TOWNSHIP OF WISNER
Tuscola County, Michigan

GENERAL FUND EXPENDITURES BY DETAILED ACCOUNT
Year Ended March 31, 2008

Township Board:	
Wages	2 835 00
Supplies	1 764 59
Dues and miscellaneous	1 179 02
	<u>5 778 61</u>
Supervisor:	
Salary	6 515 40
Mileage	575 21
	<u>7 090 61</u>
Elections:	
Wages	1 109 55
	<u>1 109 55</u>
Assessor:	
Salary	5 945 16
	<u>5 945 16</u>
Clerk:	
Salary	6 515 40
Deputy	15 60
Mileage	254 14
	<u>6 785 14</u>
Board of Review:	
Wages	495 00
	<u>495 00</u>
Treasurer:	
Salary	5 987 64
Mileage	88 27
	<u>6 075 91</u>
Building and grounds:	
Utilities	2 365 12
Payroll taxes	2 284 42
Insurance	3 678 00
Legal	475 00
Contracted services	3 351 19
Supplies	93 19
Repairs and maintenance	433 81
Printing and publishing	5 130 63
Miscellaneous	136 20
	<u>17 947 56</u>
Cemetery:	
Contracted services	10 244 63
Supplies	882 42
	<u>11 127 05</u>
Planning and zoning:	
Wages	352 00
	<u>352 00</u>
Highways and streets:	
Overhead lighting	527 99
	<u>527 99</u>
Sanitation:	
Wages	78 00
	<u>78 00</u>
Drains at large	10 915 01
	<u>10 915 01</u>
Capital outlay	4 407 24
	<u>4 407 24</u>
Total Expenditures	<u>78 634 83</u>

TOWNSHIP OF WISNER
Tuscola County, Michigan

CURRENT TAX COLLECTION FUND
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
Year Ended March 31, 2008

	<u>Balance</u> <u>4/1/07</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>3/31/08</u>
<u>Assets</u>				
Cash in Bank	<u>99 114 04</u>	<u>464 818 06</u>	<u>481 677 54</u>	<u>82 254 56</u>
<u>Liabilities</u>				
Due to other funds	99 114 04	118 184 22	135 043 70	82 254 56
Due to other taxing units	<u>-</u>	<u>346 633 84</u>	<u>346 633 84</u>	<u>-</u>
Total Liabilities	<u>99 114 04</u>	<u>464 818 06</u>	<u>481 677 54</u>	<u>82 254 56</u>

TOWNSHIP OF WISNER
Tuscola County, Michigan

CURRENT TAX COLLECTION FUND
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
Year Ended March 31, 2008

Cash on hand and in bank – beginning of year	<u>99 114 04</u>
Cash receipts:	
Current property tax	459 263 74
Property tax administration fees	4 579 28
Interest	<u>975 04</u>
Total cash receipts	<u>464 818 06</u>
Total beginning balance and cash receipts	<u>563 932 10</u>
Cash disbursements:	
Township General Fund	16 277 72
Township Road Fund	39 971 06
Township Fire and Ambulance Fund	19 793 00
Township Emergency Vehicle Fund	15 096 92
Township Garbage Fund	43 905 00
Tuscola County	111 486 58
Unionville – Sebawaing Area Schools	86 403 88
Akron – Fairgrove Schools	56 352 30
Tuscola Intermediate School District	83 708 86
Fairgrove District Library	7 746 99
Refunds	<u>935 23</u>
Total cash disbursements	<u>481 677 54</u>
Cash on Hand and in Bank – End of Year	<u><u>82 254 56</u></u>

CAMPBELL, KUSTERER & CO., P.C.

CERTIFIED PUBLIC ACCOUNTANTS

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AUDIT COMMUNICATION AND REPORT OF COMMENTS AND RECOMMENDATIONS

April 29, 2008

To the Township Board
Township of Wisner
Tuscola County, Michigan

We have audited the financial statements of the Township of Wisner, for the year ended March 31, 2008. As required by auditing standards generally accepted in the United States, the independent auditor is required to make several communications to the governing body having oversight responsibility for the audit. The purpose of this communication is to provide you with additional information regarding the scope and results of our audit that may assist you with your oversight responsibilities of the financial reporting process for which management is responsible.

AUDITOR'S RESPONSIBILITY UNDER AUDITING STANDARDS GENERALLY ACCEPTED IN THE UNITED STATES

We conducted our audit of the financial statements of the Township of Wisner in accordance with auditing standards generally accepted in the United States. The following paragraph explains our responsibilities under those standards.

Management has the responsibility for adopting sound accounting policies, for maintaining an adequate and effective system of accounts, for the safeguarding of assets, and for devising an internal control structure that will, among other things, help assure the proper recording of transactions. The transactions that should be reflected in the accounts and in the financial statements are matters within the direct knowledge and control of management. Our knowledge of such transactions is limited to that acquired through our audit. Accordingly, the fairness of representations made through the financial statements is an implicit and integral part of management's accounts and records. However, our responsibility for the financial statements is confined to the expression of an opinion on them. The financial statements remain the responsibility of management.

The concept of materiality is inherent in the work of an independent auditor. An auditor places greater emphasis on those items that have, on a relative basis, more importance to the financial statements and greater possibilities of material error than those items of lesser importance or those in which the possibility of material error is remote.

For this purpose, materiality has been defined as "the magnitude of an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would have been changed or influenced by the omission or misstatement."

An independent auditor's objective in an audit is to obtain sufficient competent evidential matter to provide a reasonable basis for forming an opinion on the financial statements. In doing so, the auditor must work within economic limits; the opinion, to be economically useful, must be formed within a reasonable length of time and at reasonable cost. That is why an auditor's work is based on selected tests rather than an attempt to verify all transactions. Since evidence is examined on a test basis only, an audit provides only reasonable assurance, rather than absolute assurance, that financial statements are free of material misstatement. Thus, there is a risk that audited financial statements may contain undiscovered material errors or fraud. The existence of that risk is implicit in the phrase in the audit report, "in our opinion."

In the audit process, we gain an understanding of the internal control structure of an entity for the purpose of assisting in determining the nature, timing, and extent of audit testing. Our understanding is obtained by inquiry of management, testing transactions, and observation and review of documents and records. The amount of work done is not sufficient to provide a basis for an opinion on the adequacy of the internal control structure.

To the Township Board
Township of Wisner
Tuscola County, Michigan

SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies are described in Note 1 to the financial statements.

OTHER COMMUNICATIONS

Auditing standards call for us to inform you of other significant issues such as, but not limited to, 1) Accounting estimates that are particularly sensitive because of their significance to the financial statements or because of the possibility that future events affecting them may differ markedly from management's current judgments; 2) Significant audit adjustments that may not have been detected except through the auditing procedures we performed; 3) Disagreements with management regarding the scope of the audit or application of accounting principles; 4) Consultation with other accountants; 5) Major issues discussed with management prior to retention; and 6) Difficulties encountered in performing the audit.

We have no significant issues, regarding these matters, to report to you at this time. Audit adjustments were minimal, and are available to review.

COMMENTS AND RECOMMENDATION REGARDING INTERNAL CONTROLS/ COMPLIANCE/ EFFICIENCY

Our procedures disclosed the following conditions that we would like to bring to your attention:

SEGREGATION OF DUTIES

The Township's system of internal control is affected by the size of the staff that it can employ.

The ultimate accounting system would include enough employees to completely segregate all aspects of each transaction. Different departments or individuals would handle: transaction authorization, transaction execution, asset handling, recording of transactions, review of transactions and subsequent control of assets.

The Township cannot enact a complete segregation of all aspects of each transaction due to the nature of local units of government. The "cost to benefit" relationship also would not justify a complete segregation of all duties.

We recommend that the Township Board Members understand these circumstances when performing their oversight responsibilities.

These conditions were considered in determining the nature, timing and extent of the audit tests to be applied in our audit of the Township's financial statements and this communication of these matters does not affect our report on the Township's financial statements, dated March 31, 2008.

SUMMARY

We welcome any questions you may have regarding the foregoing comments and we would be happy to discuss any of these or other questions that you might have at your convenience.

Sincerely,

Campbell, Kusterer & Co., P.C.
CAMPBELL, KUSTERER & CO., P.C.
Certified Public Accountants